



# **Section M**

## ***Landlord & Site Services***

### **PROJECT MANAGERS**

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## INTRODUCTION

Landlord and Site Services consists of Project Baseline Summary (PBS) RL-SS02, Work Breakdown Structure (WBS) 3.4.2.

NOTE: Unless otherwise noted, all information contained herein is as of the end of September 2002.

Fiscal-year-to-date milestone performance (EA, DOE-HQ, and RL) shows that all scheduled milestones have been completed ahead of schedule.

## TOP 5 ACCOMPLISHMENTS FOR FY 2002

**Project L-276, "200 Area Emergency Services Vehicle Bay Renovations"** — Project L-276, "200 Area Emergency Services Vehicle Bay Renovations," designed and constructed renovations to the existing 200 Area Fire Station Equipment Bays. Construction activities began in June 2001, and completed approximately one week ahead of schedule on June 6, 2002 with minor exceptions. Renovations included: replacing the vacated 609A dormitory and living area with two new drive through vehicle equipment bays and a medical storage room; expanding and renovating the equipment bays; installing a new storage building (609E); and installing a new five-bay vehicle storage building (609H). These renovations have brought the 200 Area Fire Station into compliance with National Fire Protection Agency (NFPA) code requirements and will accommodate the personnel and equipment for the future merging of the 100N and 200 Area Fire Stations. The 609E and 609H Buildings were completed and occupied by the Hanford Fire Department (HFD) on November 5, 2001, and January 15, 2002, respectively. Renovation of the 609A Equipment Bays began the week of January 21, 2002, and construction of the new equipment bays began January 9, 2002.



**Spring Reactor Shipments Completed** — The Road Maintenance Team supported personnel with Neil F. Lampson, Inc. in transporting the ex-USS William H. Bates (SSN 680), a defueled Navy reactor compartment, from the Port of Benton to Trench 94 in the 200 East Area on April 7, 2002. On March 31, 2002, the ex-USS L. Mendel Rivers (SSN 686) was transported to Trench 94. These two movements completed the spring schedule.

**Project Maintenance Center (PMC) Implementation Initiatives** — The Materials Management and Work Management Workshops in support of re-engineering project maintenance processes were completed. The PMC Executive Steering Committee reviewed and accepted a path forward to implement ten business process improvement (BPI) initiatives for materials management. An implementation plan, detailed schedule, and cost analysis (including life cycle savings) is currently being coordinated and aligned with the projects. Successful implementation of these initiatives support cost reduction targets.

**Support CH2M HILL Hanford Group, Inc. (CHG) High-Level Waste Tank And Feed To Waste Treatment Plant (WTP) Characterization** — Issued the S-112 and S-105 Core Reports, both ahead of the contract due dates and the CHG TPA Milestone dates (March 2002 and April 2002 respectively) on characterization of waste to the Office of River Protection WTP.

**Thermal Imaging Technology for Inspection of Export Water System** — New technology is being proposed for the inspection and evaluation of the 25-mile Export Water System (EWS). About every 2,000 feet along the EWS there would be an excavation down to buried access points and a robotic camera would be sent down the line to film the inside of the pipe. In researching alternate methods for identifying water leaks and quantifying which water lines need to be replaced on a priority basis, a proposal was made to use fly over and Thermal Imaging Equipment to determine below-ground characteristics of systems without excavating and/or visual inspection of the inside of the pipe. A fly over of the EWS using Thermal Imaging Equipment can be accomplished for about \$25K to \$30K and would reduce the amount of the piping system that would need to be visually inspected from inside. Utilization of this technology is expected to save approximately \$450,000 (preliminary estimate based on inspecting approximately half of the 25-mile piping system on the inside).

## ADDITIONAL FY 2002 ACCOMPLISHMENTS

### Landlord Services, 3.4.2.1



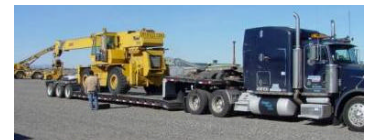
**Water Line Repair** — A lead-packed joint leak on a 14 inch raw water line near U-Plant, in the 200 West Area, was discovered July 23, 2002, around midnight. The leak was repaired with the use of a mechanical bell joint repair kit, which was modified on Site. Coordination of pipefitters and engineers aided in the development of the repair kit, which proved to be a unique method for repairing the joint.

**Hanford Fire Department's Apprenticeship Program** — FH received a letter from the Washington State Department of Labor and Industries with the results of the 1999/2000 Compliance review of the HFD's apprenticeship program. The program successfully passed the review with only minor language changes to a single definition suggested. This was a review of FH's efforts to recruit, train and maintain a diverse workforce within the HFD with particular attention given to the efforts to identify qualified female and minority candidates for the apprenticeship program. The results were a culmination of over three years of focused activity and are a direct reflection of the HFD's commitment and support to maintaining the apprenticeship program and continuing to build a skilled and qualified diverse workforce.



**Investment Recovery Operations (IRO)** — IRO completed disposition of two excess gamma probe draw works and instrument carts to the Tri-Cities Asset Reinvestment Company (TARC) under a one time RL exemption. TARC equipment is to be reutilized in a private business by a former Hanford employee that was involved in the development of the equipment. This project required a substantial effort by IRO staff to coordinate the needs of all parties and resolve issues surrounding this unique equipment.

**Asset Disposition, Transfer of Contaminated Crane** — A contaminated crane was transferred to Waste Control Specialists for reuse at their Texas facility in February 2002. This transfer saves approximately \$300K in burial and related disposal costs and provides a template for future transfers.



**Automated Job Hazard Analysis Feedback Database Software** — Feedback Database software was released by the Automated Job Hazard Analysis (AJHA) group in February 2002. This is a Web based tool that allows any user to input feedback/lessons learned from any job or other source such as personal observations, etc. The tool also integrates the Maintenance Post Job Review with the As Low As Reasonably Achievable (ALARA) Post Job Review so that the data is captured on one form and in a single database. The database provides for rapid analysis and retrieval of lessons learned from work performance. This is a key element in the FH Integrated Environment, Safety, and Health Management System (ISMS) addressing the core function of feedback and continuous improvement.

**2002 Hanford Field Exercise** — On Thursday, June 20, 2002, the Hanford Emergency Preparedness Organization conducted the "2002 Hanford Field Exercise" to assess the readiness of response organizations in responding to emergency conditions on the Hanford Site. In addition to Hanford Site emergency responders, representatives from Benton, Franklin, and Grant Counties, Washington and Oregon, Kadlec Medical Center, and DOE-HQ participated. Reports showed many positive aspects of the exercise and also identified several opportunities for improvement.

### **Analytical Services, 3.4.2.2**

**Analytical Services Proposed Two Technologies to Support Life-Cycle Cost Reductions** — Analytical Services proposed two technologies which support Hanford's High Level Waste Tanks Mission Acceleration Initiative. One is Clean Salt (sodium nitrate) removal before waste treatment (sodium nitrate is a high percentage by volume in the waste tanks) and the other is Chromatographic Retrieval of Wastes that, if proven, could selectively remove various constituents through successive water washes. Both have been demonstrated in the laboratory and were selected by CHG as two of the top ten alternatives for saving money and time in waste treatment. Further evaluation will be done to see if these technologies warrant funding for planned deployment in 2005.

### **Infrastructure Upgrades, 3.4.2.3**

**Uninterrupted Power Source (UPS) Replacement** — This project evaluated ten HLAN locations requiring UPS backup power for proper capacity, output quality, and length of battery backup time. An audit team has found the need to relocate three existing 30KVA units and three existing 2KVA UPS to facilities that can accommodate that load. The Federal Building design to provide UPS power completed on March 11, 2002. This project also relocated an existing 30KVA to the Federal Building providing the needed UPS power for this HUB location.

**Project L-339, "PFP Water System Isolation, Install Sanitary Water Line To WRAP"** — This project installed two 12-inch bypass water lines around the PFP complex directly to the CWS/WRAP complex in the 200 West Area. These new water lines provide a compliant source of potable water to these facilities in accordance with Washington State Drinking Water standards. This project also completes the "Premise Isolation" for the PFP complex in accordance with Washington State regulations. Installation of the pipeline completed on November 23, 2001. Final flushing, testing, and tie-in started on November 26, 2001 and completed December 21, 2001, approximately one week ahead of the scheduled construction completion date of December 28, 2001 (RL Milestone LLP-01-535).







**Project L-310, "Export Waterline to 200 West Area"** — This project designed and constructed 2.5-mile long, 18-inch diameter, export water pipeline from the 2901-Y Valve House to the 282-WA Reservoir Inlet Building. This new pipeline was installed parallel to the existing concrete export water pipeline, and provides an alternate source of water to the 200 West Area in the event of a pipeline failure. Project L-310 completed all construction exceptions on March 7, 2002.

## ACCOMPLISHMENTS THIS REPORTING PERIOD

### Landlord Services, 3.4.2.1

**Energy Northwest Evaluated Drill** — HFD supported a drill at Energy Northwest on September 17, 2002. The U.S. Nuclear Regulatory Commission evaluated the Columbia Generating Plant's ability to respond to an emergency. The HFD crews played a large part in this drill.

**New Process Guide** — The Resource Allocation Guide (HNF-GD-11124) has been published. The new guide and process enables projects to share maintenance crafts rather than hiring new crafts, and has been able to meet an average of seventy-five percent of all requests for resources, among the projects, since October 2001, resulting in significant cost savings.

**Hanford 2002 Wildland Fire Season Is Winding Down** — The Hanford 2002 Wildland Fire Season is winding down. All the pre-planning and prevention resulted in a successful low impact season at Hanford. The Hanford fire danger has been downgraded from "extreme" to "moderate." HFD out-of-area assignments supported rehabilitation of burned areas, medical needs, bulldozer activities, and management teams on several national fires (e.g., the Tiller Complex and the Biscuit Zone 4 in Oregon).

### Analytical Services, 3.4.2.2

**HSO Analytical Services Re-Evaluated Pricing of TRU Waste Drums** — HSO Analytical Services has re-evaluated the cost estimate for analyzing TRU Waste Drums Headgas for FY 2003. Improved level loading of sample delivery to WCSF laboratories and laboratory efficiencies, will reduce costs per drum in FY 2003 to about half of prior estimates. Higher throughput volume would further reduce the unit cost.

**High Level Waste Samples** — Analytical Services and Pacific Northwest National Laboratory (PNNL) are coordinating their support to CHG for providing high level waste samples to commercial vendors for testing of technologies to accelerate cleanup of the site. FH will provide samples from archives, characterization of certain samples, and provide the primary shipping support. PNNL will treat certain samples to replicate glass plant pretreatment so that the vendors can test final treatment technologies.

### Infrastructure Upgrades, 3.4.2.3

**Project L-337, "300 Area Pump Replacement 312 Building"** — This project installed two new pumps and motors, associated piping modifications, a new electrical service and some associated local controls to replace an existing pump that had deteriorated to the point where it was no longer providing reliable service. Funding for this project was provided through BPA energy savings funds. Construction completed with minor exceptions on September 20, 2002.

**Project L-335, "Export Water Line to Meteorological Laboratory"** — This project designed and constructed a replacement waterline for the deteriorated raw water line in the 600 Area, that supplies fire protection water to the Hanford Meteorological Station. This waterline replaced the deteriorated, existing line that was over 40 years old and had exceeded its original design life. Final tie-ins were completed September 23, 2002.

**Pipe Relining Results in Cost Avoidance** — Landlord Projects, using new methods of relining pipes, has cleaned and relined approximately 1,800 feet of 8" cast iron potable water piping in the 200 West area to return the pipe's flow capacity to acceptable levels. The water line's interior surface had developed severe buildup of corrosion products and could no longer deliver required flows to the fire systems supplied by the line. Cleaning and relining this piping, instead of replacing it, resulted in a cost avoidance greater than 40% to the project, and has increased the flow rate to nearly three times (293 percent) that of the previous rate, to Site customers.



## BREAKTHROUGHS / OPPORTUNITIES FOR IMPROVEMENT

Nothing to report.

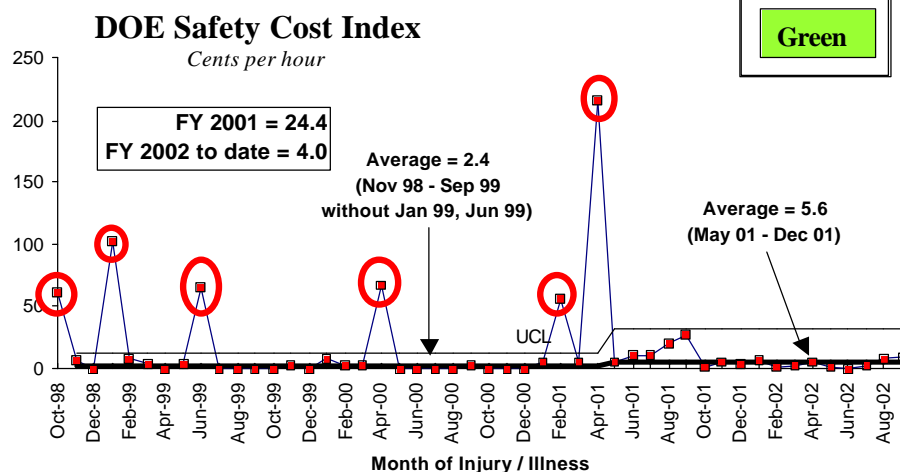
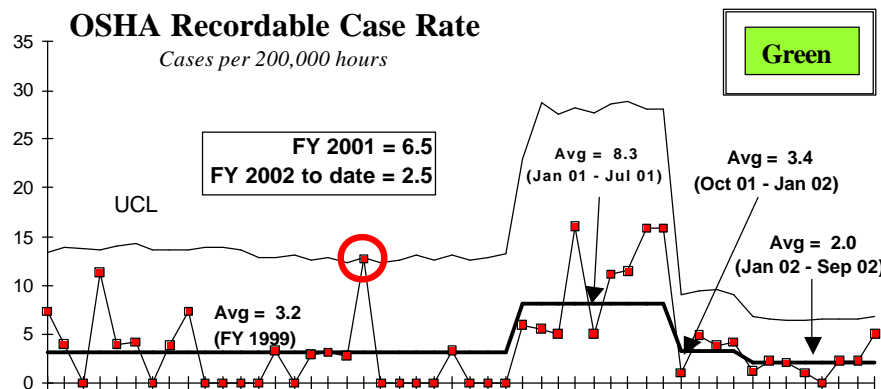
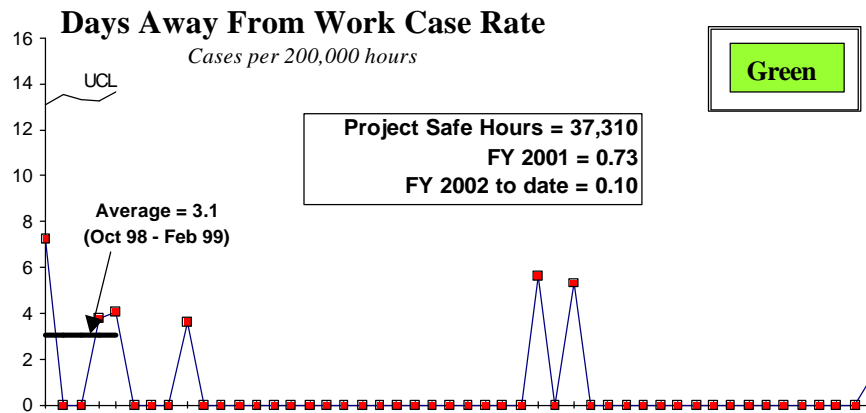
## UPCOMING ACTIVITIES

**Yakima Barricade (604A) Water and Sewer Compliance Modifications** — Install a fresh water tank system at the Yakima Barricade and install a state approved septic holding tank. Installation of the systems is planned to complete in December 2002.

**Excess Spare Parts Inventory** — Approximately 3,000 items from the 2101M and 400 Area warehouses are in the process of being excessed. These items represent an original acquisition value of almost \$450,000.

## SAFETY

Several actions have been initiated to improve safety performance including implementing a Zero Accident Council (ZAC) structure, which includes six directorate and 35 grass-roots level councils, and implementing a Safety Improvement Program. The OSHA Recordable Case Rate has been reset to Green since it has sustained seven consecutive months below average, which is a significant decrease, and has been rebaselined accordingly.



## MILESTONE ACHIEVEMENT FH CONTRACT MILESTONES

Number	Milestone Title	Type	Due Date	Actual Date	Forecast Date	Status/ Comments
LLP-01-535	L-339, PFP Water System Isolation - Install Sanitary Water to WRAP	RL	12/28/01	12/20/01	12/21/01	Completed.
LLP-01-515	L-276, Equipment bay Const. Phase II - Complete Construction of Project L-276	RL	6/14/02	6/6/02	6/14/02	Completed.

NOTE: Above data includes all TPA/DNFSB/Performance Incentive milestones as included in the FH baseline, and provides Contract-to-Date status.

## PERFORMANCE OBJECTIVES

Nothing to report at this time.

## FY 2002 SCHEDULE / COST PERFORMANCE – ALL FUND TYPES FY TO DATE STATUS – (\$000)

		FYTD							
	By PBS	BCWS	BCWP	ACWP	SV	%	CV	%	BAC
PBS SS02	Landlord Services	69,127	69,283	66,280	156	0.2%	3,003	4.3%	69,127
WBS 3.4.2.1									
PBS SS02	Analytical Services	34,647	34,087	31,246	(560)	-1.6%	2,841	8.3%	34,647
WBS 3.4.2.2									
PBS SS02	Infrastructure Upgrades	7,598	4,443	4,494	(3,155)	-41.5%	(51)	-1.1%	7,598
WBS 3.4.2.3									
PBS SS02	Landlord & Site Services	11,699	11,699	13,332	-	0.0%	(1,633)	-14.0%	11,699
WBS 3.4.2.4	Project Management & Support								
PBS SS02	Landlord & Site Services	(34,022)	(34,022)	(27,538)	-	0.0%	(6,484)	19.1%	(34,022)
WBS 3.4.2.4	Revenue								
<b>Total SS02</b>		89,049	85,490	87,814	(3,559)	-4.0%	(2,324)	-2.7%	89,049



## FY TO DATE SCHEDULE / COST PERFORMANCE

For all active sub-PBSs and TTPs associated with the Operations/Field Office, Fiscal Year to Date (FYTD) Cost and Schedule variances exceeding + / - 10 percent or one million dollars require submission of narratives to explain the variance.

### Schedule Variance Analysis: (-\$3.6M)

#### Landlord Services — 3.4.2.1/SS02

**Description and Cause:** The \$0.2M (0.2 percent) favorable schedule variance is within established threshold.

**Impact:** None.

**Corrective Action:** None.

#### Analytical Services — 3.4.2.2/SS02

**Description and Cause:** The \$0.6M (1.6 percent) unfavorable schedule variance is within established thresholds.

**Impact:** None.

**Corrective Action:** None.

#### Infrastructure Upgrades — 3.4.2.3/SS02

**Description and Cause:** The \$3.2M (41.5 percent) unfavorable schedule variance is due to the deferral, late start, or on hold status of many infrastructure construction activities (water line replacements, road refurbishments, electrical upgrades, facility upgrades, and radio frequency changeover) and equipment replacement contracts due to FY 2002 funding issues. The negative schedule variance is skewed due to the completion of a fire truck in FY 2001 planned for completion in FY 2002 (fiscal year to date performance does not allow for performance from a prior year to count towards schedule completion in the current fiscal year).

**Impact:** The continued deferral of infrastructure upgrades and equipment may potentially impact other site operations, due to unplanned failures to aging systems and add to outyear funding issues. Due to the late start, a number of upgrades are expected to continue into FY 2003, which will further impact expected FY 2003 funding shortfalls.

**Corrective Action:** Selected upgrades are proceeding. FY 2002 carryover workscope will be prioritized against FY 2003 planned workscope.

#### Landlord & Site Services Project Management & Support — 3.4.2.4/SS02

**Description and Cause:** None.

**Impact:** None.

**Corrective Action:** None.

#### Landlord & Site Services Revenue — 3.4.2.4/SS02

**Description and Cause:** None.

**Impact:** None.

**Corrective Action:** None.

## Cost Variance Analysis: (-\$2.3M)

### Landlord Services — 3.4.2.1/SS02

**Description and Cause:** The \$3.0M (4.3 percent) favorable cost variance is due to a reversal of FY 2001 steam over accrual, company level credit passbacks, diversion of resources to other funding sources, reduced materials and contract costs due to spending restrictions, and company-level credit passbacks. The favorable variance is partially offset by a shortfall in services revenue (occupancy and fleet). The revenue shortfall was due to transfer of 2750-E facility to CHG and inadequate funds in the indirect-to-direct conversion to support occupancy and fleet requirements.

**Impact:** None. Corrective action addressed potential yearend overruns in occupancy and fleet revenue.

**Corrective Action:** FH reallocation and corrective actions initiated by the project have addressed occupancy and fleet revenue shortfalls.

### Analytical Services — 3.4.2.2/SS02

**Description and Cause:** The \$2.8M (8.3 percent) favorable cost variance is due to realized cost efficiencies to achieve directed reductions, company level credit passbacks, delayed initiation of procurements related to facility and equipment reliability, redirection of resources to other funding sources, and significant labor variances due to absences, labor rate differentials, and staff vacancies. The favorable variance is partially offset by non-PHMC sample analysis revenue shortfalls.

**Impact:** None.

**Corrective Action:** Projected yearend passbacks are expected to rectify revenue shortfalls.

### Infrastructure Upgrades — 3.4.2.3/SS02

**Description and Cause:** The unfavorable cost variance is within established thresholds.

**Impact:** None.

**Corrective Action:** None.

### Landlord & Site Services Project Management & Support — 3.4.2.4/SS02

**Description and Cause:** The \$1.6M (14 percent) unfavorable cost variance is due to increased procurement support, project maintenance center implementation, and reduction of force costs.

**Impact:** FH reallocation of funds and corrective actions initiated by the project have addressed the impacts of projected funds shortfall.

**Corrective Action:** None.

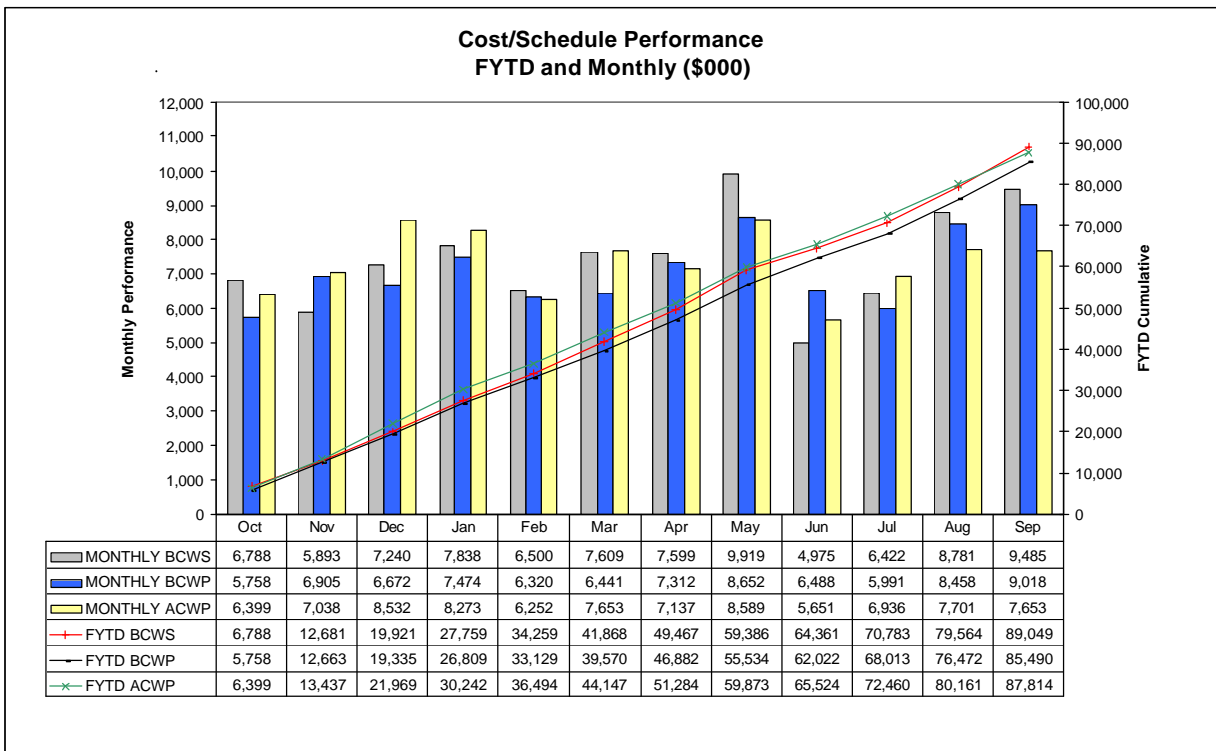
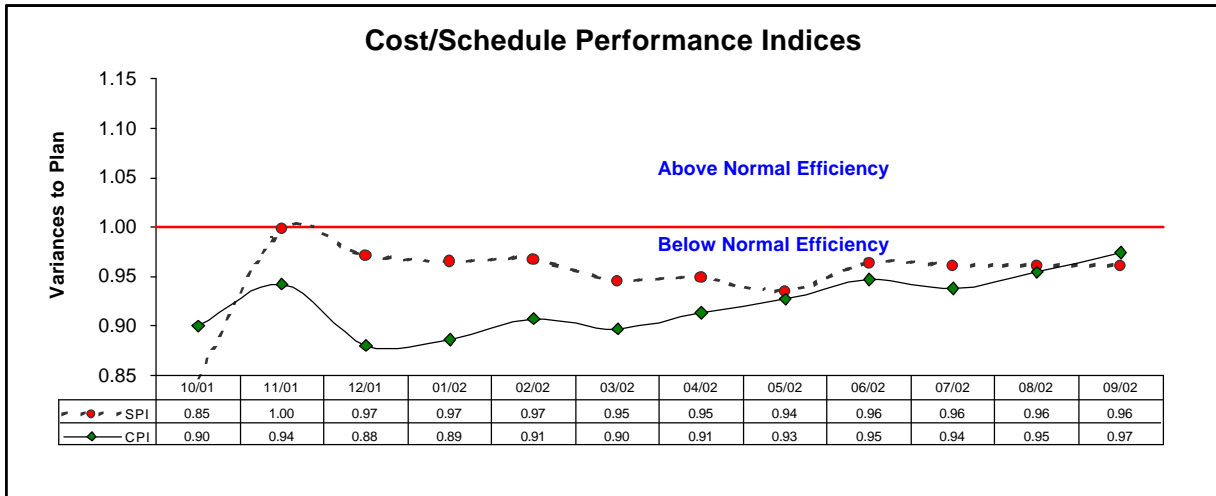
### Landlord Services Revenue — 3.4.2.4/SS02

**Description and Cause:** The \$6.5M (19.1 percent) unfavorable cost variance is due to shortfalls in shared services revenue assessments to non-PHMC customers, variance in the planned versus actual direct distributable base, and a reduction in Fabrication Services direct labor adder. The maintenance, janitorial, and environmental, safety, health and quality department overheads originally assumed to be included in the shared service assessment to the CHG direct distributable rate were excluded because they were not classified as a shared service in FY 2001.

**Impact:** FH reallocation of funds and corrective actions initiated by the projects have resolved the potential impacts of the revenue shortfalls.

**Corrective Action:** None.

## COST / SCHEDULE PERFORMANCE (MONTHLY AND FYTD)



## FUNDS MANAGEMENT FY FUNDS VS ACTUALS (\$000)

	Expected Funds	September Actuals	Variance
<b>3.4.2 Landlord &amp; Site Services - SS02</b>			
<b>Project Completion - Operating</b>	\$ 91,112	\$ 87,815	\$ 3,297
<b>- Line Item</b>			
<b>Total</b>	\$ 91,112	\$ 87,815	\$ 3,297

## ISSUES

### Technical, Regulatory, External, and DOE Issues and DOE Requests

**Issue:** Nothing to report at this time.

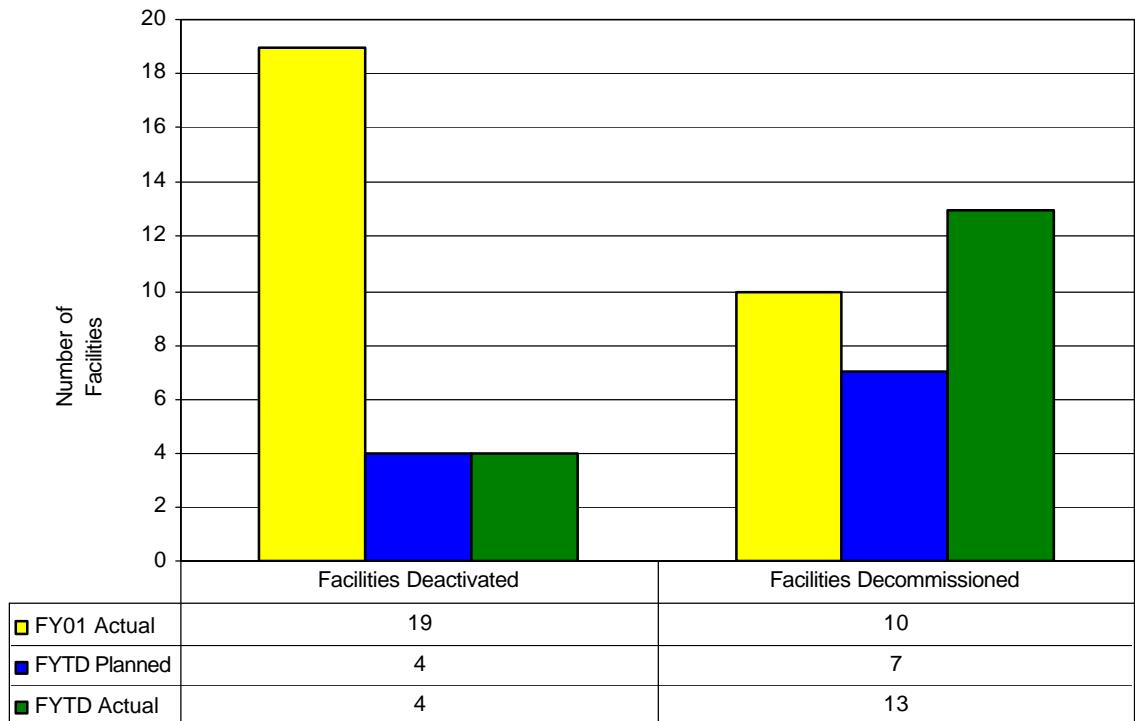
**Impacts:** None.

**Corrective Action:** None at this time.

## BASELINE CHANGE REQUESTS CURRENTLY IN PROCESS

BCR No./ Level 4 WBS	Date Originated	Description	Impact		Date Approved	Status
			Days	Dollars (\$000s)		
SS02-02-020 3.4.2.2	2/5/02	RL Requested USQ Process Change Impacts on the 222-S Laboratory	0	5		BCR SS02-02-020 cancelled.
SS02-02-025 3.4.2.1	3/8/02	Operation and Maintenance Responsibility of Lift Station Number One	0	0	9/23/02	Approved and implemented.
SS02-02-029 3.4.2.3	4/4/02	Rebaseline Project L-347, VHF/UHF Narrowband Migration	0	0		Approved by FH-RMB 10/04/02. Submitted to RL for approval.

## FACILITY DEACTIVATION / DECOMMISSIONING



**Facilities Deactivated** — Facilities deactivated as planned.

**Facilities Decommissioned** — Landlord Services planned to decommission seven facilities by fiscal year end. More facilities and mobiles became available for decommissioning than anticipated.